IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF MICHIGAN

MARTIN-LANDERS LLC D/B/A MARK MARTIN FORD AND MARTIN-LANDERS IMPORTS LLC D/B/A MARK MARTIN KIA, individually and on behalf of all others similarly situated,

Case No. [_____]

Plaintiffs,

JURY TRIAL DEMANDED

v.

CONTINENTAL
AKTIENGESELLSCHAFT;
CONTINENTAL TIRE THE
AMERICAS, LLC; COMPAGNIE
GÉNÉRALE DES
ÉTABLISSEMENTS; MICHELIN
NORTH AMERICA, INC.; NOKIAN
TYRES PLC; NOKIAN TYRES INC;
NOKIAN TYRES U.S. OPERATIONS
LLC; THE GOODYEAR TIRE &
RUBBER COMPANY; PIRELLI & C.
S.P.A.; PIRELLI TIRE LLC;
BRIDGESTONE CORPORATION;
and BRIDGESTONE AMERICAS,
INC.

Defendants.

CLASS ACTION COMPLAINT



Plaintiffs Martin-Landers LLC dba Mark Martin Ford and Martin-Landers Imports LLC dba Mark Martin Kia, individually and on behalf of all others similarly situated, brings this Class Action Complaint for damages and injunctive relief against named Defendants Continental Aktiengesellschaft; Continental Tire the Americas, LLC; Compagnie Générale des Établissements; Michelin North America, Inc.; Nokian Tyres plc; Nokian Tyres Inc; Nokian Tyres U.S. Operations LLC; The Goodyear Tire & Rubber Company; Pirelli & C. S.p.A.; Pirelli Tire LLC; Bridgestone Corporation; Bridgestone Americas, Inc. for violations of Section 1 of the Sherman Act (15 U.S.C. § 1) and violations of various state antitrust laws. All allegations other than those concerning Plaintiffs are based on information and belief.

I. <u>INTRODUCTION</u>

- 1. This action arises from a per se unlawful agreement between Defendants—some of the largest tire manufacturers in the United States and the world—to artificially increase and fix the prices of new replacement tires for passenger cars, vans, trucks, buses, and motorcycles ("Tires") sold in the United States. Defendants coordinated price increases, including through public communications.
- 2. On January 30, 2024, the European Commission ("EC") announced dawn raids at the premises of "companies active in the tyres industry in several



Member States." The EC justified its dawn raids over suspicion that these companies "violated EU antitrust rules that prohibit cartels and restrictive business practices," specifically that price coordination took place among these companies.²

- 3. Defendants' unlawful agreement to fix prices of Tires is supported by, among other things: (i) Defendants' sudden and dramatic parallel price increases, which absent a conspiracy to fix prices, ran contrary to their economic interests; (ii) EC dawn raids of Defendants; (iii) the high level of market concentration in the Tires market; (iv) significant barriers to entry; (v) lack of economic substitutes for Tires; (vi) standardization of Tires with a high degree of interchangeability; and (vii) the many opportunities that Defendants' employees had to conspire with one another to fix prices of Tires, coupled with their motivation to achieve an unlawful end.
- 4. Plaintiffs seek to represent a Class of individuals and entities that purchased Tires indirectly from Defendants at supra-competitive prices to recover damages, injunctive relief, and other relief as is appropriate, based on Defendants' violation of federal and state antitrust laws. Plaintiffs demand a trial by jury.

¹ Commission carries out unannounced antitrust inspections in the tyres sector, European Commission (Jan. 30, 2024) (https://ec.europa.eu/commission/presscorner/detail/en/ip_24_561).





II. PARTIES

A. PLAINTIFFS

- 5. Plaintiff Martin-Landers LLC dba Mark Martin Ford is an Arkansas limited liability company located at 1601 Batesville Blvd., Batesville, AR 72501. Plaintiff Martin-Landers LLC purchased Tires manufactured by one or more of Defendants within the States of Arkansas during the Class Period defined below, and Plaintiff Martin-Landers LLC suffered antitrust injury as a result of the violations alleged in this complaint.
- 6. Plaintiff Martin-Landers Imports LLC dba Mark Martin Kia is an Arkansas limited liability company located at 1601 Batesville Blvd., Batesville, AR 72501. Plaintiff Martin-Landers Imports LLC purchased Tires manufactured by one or more of Defendants within the States of Arkansas during the Class Period defined below, and Plaintiff Martin-Landers Imports suffered antitrust injury as a result of the violations alleged in this complaint.

B. DEFENDANTS

1. Continental

7. **Defendant Continental Aktiengesellschaft** ("Continental AG"), is a German company with its headquarters at Vahrenwalder Strasse 9, 30165 Hannover, Germany. Continental AG is divided into four group sectors: Automotive, Tires,



ContiTech, and Contract Manufacturing.³ The Tires group has five business areas:
(i) Original Equipment, (ii) Replacement APAC, (iii) Replacement EMEA, (iv)
Replacement the Americas, and (iv) Specialty Tires.⁴

- 8. In its 2022 Annual Report, Continental AG reported that its "Tires group sector achieved a particularly positive result, even surpassing expectations with an adjusted EBIT margin of 13.1 percent." In 2022, Continental AG reported sales of €14 billion globally for its tire group. Continental AG's tire group boasts 56,987 employees worldwide.
- 9. In the Tires group sector, sales to dealers and end users represent the largest share of the tire-replacement business.⁸ For the Tires group sector, economies of scale are important drivers of profitability. For that reason, "manufacturing takes place at major locations in the dominant automotive markets, namely Europe, the U.S., and China."
- 10. **Defendant Continental Tire the Americas, LLC** ("Continental U.S.") is a limited liability company incorporated under Ohio law, with its principal place of business at 1830 MacMillian Park Drive, Fort Mill, SC 29707. Continental

⁹ *Id.* at 28.



³ Continental Group, 2022 Annual Report, at 3 (https://cdn.continental.com/fileadmin/_imported/sites/corporate/_international/english/hubpages/30_20investors/30_20reports/annual_20reports/downloads/continental_annual_report_2022.pdf).

⁴ *Id.* at 27.

⁵ *Id.* at 4.

⁶ *Id*. at 75.

⁷ *Id.* at 76.

⁸ *Id.* at 26.

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